

Uncovering the Benefits
of Automated Charge Capture
with an Electronic Health Record
An Overview of Research Results

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Implementing an oncology-specific Electronic Health Record (EHR) system can be pivotal in creating a financially sound oncology practice. To validate this claim, the team at iKnowMed™, an EHR system available from McKesson Specialty Health Solutions for Oncology, recently conducted a study to uncover how iKnowMed's charge capture functionality optimizes the integrity of billing and enhances practice profitability.

ABOUT IKNOWMED

iKnowMed is one of the few EHR systems developed exclusively for oncologists by oncologists, and can be securely accessed from any computer, any time of day. With a focus on empowering physicians and their staff to deliver clinical excellence and cost-effective cancer care, iKnowMed leverages the power of technology to go beyond delivering standard EHR features. It is used by physicians and nurses to harness medical information such as comprehensive patient history and lab results, make treatment decisions and order treatment regimens, and document infusion visits.

iKnowMed also provides immediate access to detailed cancer diagnosis and staging content, an up-to-date cancer regimen library, clinical trial and protocol support, and charge capture functionality. When practice staff documents each patient's visit in iKnowMed, the system is able to capture charges associated with the visit, including treatment administration. From this information, charge codes, billable units, primary diagnosis codes and billable drug waste for each patient visit are then automatically captured.

THE RESEARCH METHODOLOGY

The purpose of this study was to determine what benefits physicians receive from utilizing the charge capture functionality of iKnowMed. Specifically, the primary objectives were to:

- gain insight into what impact, if any, an increase in clinical documentation by providers using iKnowMed had on billing levels of Evaluation and Management (E&M) codes;
- understand if the electronic review of clinical documentation by the iKnowMed EHR software increased charge capture integrity; and
- determine if automated audit tools resulted in more timely reconciliation and correction of missed drug charges.

Members of the McKesson Specialty Health Managed Care and Business Intelligence teams conducted this study by reviewing charge capture data for fiscal year 2008 for ten practices in The US Oncology Network. The data was pulled from the claims data warehouse, and all practices in the study follow the same fee schedule. Five of the practices were fully-implemented iKnowMed users. The other five practices did not use any type of EHR system and their records were entirely paper-based. After the initial data analysis, an Internal Audit team then re-examined the data to ensure its accuracy.

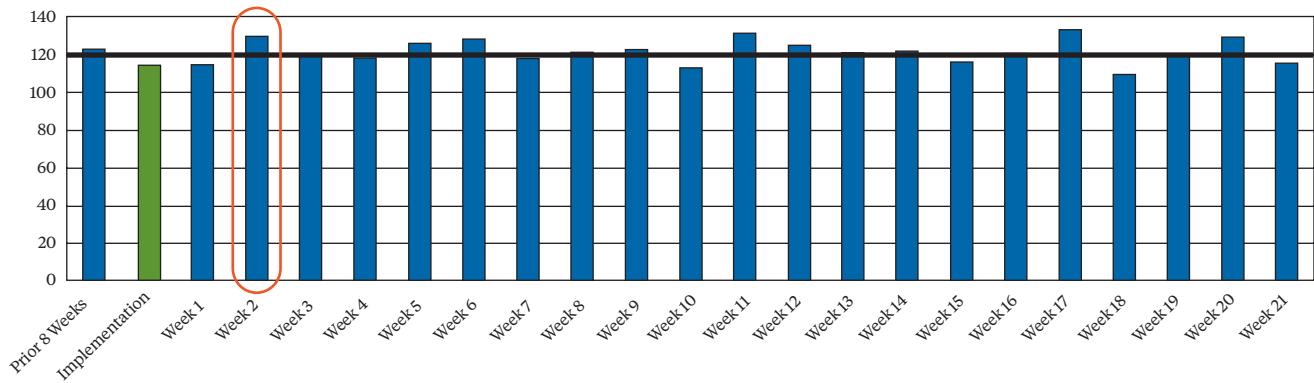
In particular, the review focused on three areas of charge capture:

- average gross charges for E&M office visits, including new and established patient visits as well as consult visits, but excluding charge code 99211;
- chemotherapy administration charges, comparing the average charge for all administration codes for each chemotherapy visit; and
- drug charges, delayed review or incorrect billing of drugs due to initial failure to capture correct charges.

It should be noted that the five practices in the study that use iKnowMed had all been fully-implemented users of the system for at least six months. Understanding that implementation of an EHR system requires significant transition within a practice, this criterion alleviated discrepancy due to possible loss of productivity during transition to a new system.

In fact, a separate analysis reviewed the effect the transition to iKnowMed has within a practice by comparing the average number of office visits across thirteen practices before and after their go-live date. This analysis compared the number of weekly office visits over an eight-week period prior to going live with the number of office visits over the subsequent 21 weeks following go-live.

The results showed that practices did not experience a significant drop-off in patient volume as a result of implementing iKnowMed as their EHR. This may be due to the three weeks of on-site training and support the iKnowMed team provides during this transition. On average, practices resumed their previous patient volume levels two weeks after go-live, quickly realizing the opportunity to optimize their charge capture based on full patient caseload.



DISCOVERING E&M BILLING DIFFERENCES

When comparing gross E&M fees, the study revealed that physicians using iKnowMed billed an average of \$15.17 more per visit than the physicians using paper-based records. Since the average number of office visits in 2008 for all physicians in the five study practices using iKnowMed was 2,499, the higher per visit billing level resulted in an average of \$37,910 more in gross E&M fees per year for these physicians.

The reason physicians using the system experienced a higher level of E&M charges is attributed to enhanced accuracy in coding and charge capture. iKnowMed automatically suggests E&M codes at the time of the patient encounter based upon content of the physician generated progress note. The physician then may review and, if necessary, modify the suggested code. This leads to more accurate claims by enhancing clinician control over billing and reducing the possibility of undercharging caused by unclear, incomplete or unreadable super bills or missing charges due to data entry errors.

FEWER MISSED DRUG ADMINISTRATION CHARGES

Analysis of data for chemotherapy administration charges revealed that physicians using iKnowMed billed an overall average of \$48,642 more per year in gross drug administration charges than physicians using paper-based records. This was determined by reviewing the average total charges billed when an initial hour of chemotherapy was administered. For all physicians in the study, the average number of chemotherapy administration visits for the year was 726. Physicians using iKnowMed billed an average delta of \$67 more for drug administration per visit than physicians using paper-based records.

This difference in billing is attributed to fewer missed drug administration charges at time of original charge entry. Because iKnowMed provides an automatic review of chemotherapy treatments provided, practices realize a higher level of accuracy in accounting for all aspects of the chemotherapy treatment process, including the administration charges.

REDUCED DRUG BILLING DELAYS AND FASTER CHARGE CORRECTION

Practices that use iKnowMed charge capture interface reporting as a weekly audit tool for chemotherapy treatments provided reduced delayed drug billing by two or more weeks. The study also showed a reduction of more than \$90,000 in average weekly charge corrections.

iKnowMed's extensive reporting center allows practices to easily manage and review clinical data, and use the information to increase the efficiency of the entire charge capture process. Additionally, the charge capture functionality provides a clear and concise audit trail, with more thorough documentation and justification for appropriate charges, reducing time to rework claims.

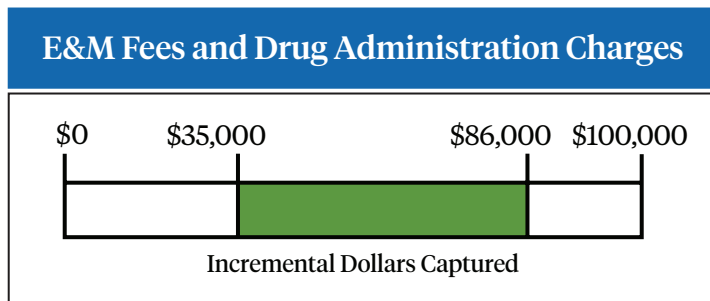
SO WHAT DOES THIS MEAN FOR PHYSICIANS?

Today, oncologists feel increased pressure to improve the financial performance of their practices. The findings in this study provide significant insight into many opportunities that exist for physicians to improve the integrity of their charge capture by using iKnowMed.

Opportunity	Expected Result using iKnowMed Charge Capture Functionality
Improve accuracy of E&M Coding	iKnowMed automatically suggests E&M codes at the time of the patient encounter based on the physician generated progress note. This results in more accurate billing of services provided.
Reduce missed gross drug and chemotherapy administration charges	iKnowMed incorporates documentation for admixture and administration of chemotherapy, including accounting for supplies and drugs dispensed and billable waste. More precise billing of drug charges and administration charges can improve a practice’s profitability.
Decrease charge correction timeline	iKnowMed reporting provides robust audit tools for easy identification of incorrect charges. Weekly review of audit reports allows for quick correction and improved cash flow with claims paid faster.
Enhance overall charge capture integrity	iKnowMed’s charge capture functionality provides a clear and concise audit trail, with more thorough documentation and justification for appropriate charges.
Increase efficiency of charge capture	iKnowMed captures patient visit charge codes, primary diagnosis codes and drug waste for each visit. Eliminating charge entry from a paper super bill improves charge capture and reduces questions and rework of bills.

CONCLUSION

An oncology-specific Electronic Health Records system such as iKnowMed provides many benefits to physician practices and can be an important tool for enhancing overall clinical operations. The system improves safety and efficiency throughout the practice by streamlining workflow and providing support for all practice staff. When studying the effects of the charge capture functionality alone, practices can see a significant return on investment through greater accuracy of coding and billing. This improved accuracy resulted in an increase in their gross charge capture ranging from \$35,000 to \$86,000 per oncologist due to the improved integrity of the charge capture process.



Increase in charge capture ranges from \$35,000 to \$86,000 per oncologist with iKnowMed¹

¹Charge capture increases reflect study range. Results will vary from practice to practice and no assurance is given as to any level of billing or charge capture. iKnowMed is not a billing software and the practice, not McKesson Specialty Health, remains solely responsible for billing and charges.

To learn more about iKnowMed, please call 800.482.6700, option 4 or email us at msh.providers@mckesson.com.